

STATE OF HAWAII

Accounting Manual

Volume I

Part 400: General Nature of the Accounting System

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SECTION 485: DEPARTMENTAL REPORTING REQUIREMENTS

1. General. This section describes reporting requirements that apply to departments; these requirements relate to the Comptroller's responsibilities in maintaining the total accounting system. Although department-level reporting for internal departmental purposes is described only in a broad manner, it is recognized that there are additional department-level reporting activities which are not described because the departments are too diverse in their individual requirements to be covered separately and in detail in this accounting manual.
2. Department Reporting Required by Statute. The following departmental reporting requirements are made specifically by provisions within the Hawaii Revised Statutes (HRS):
 - (a) Lapsing of Appropriations. Under Section 40-67, HRS, accounts for appropriations whose purposes have been accomplished or the reasons for which have ceased to exist should be reported in accordance with that statute so that the accounts can be closed out.
 - (b) Funds Not in State Treasury. Section 40-81, HRS, states that all departments and agencies collecting or receiving any moneys not required by law to be deposited in the State Treasury shall report to the Comptroller all receipts and disbursements under such rules and regulations as may be prescribed by the Comptroller. Additionally, the Comptroller has generally required that, within fifteen days following the end of a fiscal year, the following specific information be submitted on subventions and grants from the Federal Government that are not deposited in the State Treasury:
 - (1) Title of subvention or grant.
 - (2) Beginning balance of funds (start of the fiscal year).
 - (3) Amount received in the fiscal year by source of receipt.
 - (4) Amount expended in the fiscal year by object of expenditure.
 - (5) Ending balance of funds (end of the fiscal year).
3. Department Reporting Required by the Comptroller. Sections 40-1, 40-2, and 40-4, HRS, provide the Comptroller's broad statutory authority to request from the departments and agencies of the various branches of State government certain accounting data in order to maintain the central accounting system and to prepare the financial reports. The following accounting data has generally been required to be reported to the Comptroller, in addition to the daily accounting transactions such as receipts and expenditures.

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- (a) Encumbrances. Reporting of unliquidated purchase orders and any other claims encumbrances at quarter-end and year-end.
 - (b) Differences With Central Accounting Records. DAGS Accounting Division distributes to the departments and agencies, usually on a quarterly basis, appropriation status reports and receipts reports, both for informational purposes and for reconciling with the departmental accounting records. The departments should compare and, if necessary, reconcile the balances, and should notify DAGS Accounting Division of any differences requiring adjustments to the central accounting records.
4. Departments' Other Reporting Requirements.
- (a) Types of Other Reporting by Departments. Additional departmental reporting can be necessitated for any of the following reasons:
 - (1) Internal management information and use.
 - (2) Statutory requirements placed on the department individually.
 - (3) Federal Government reporting for contracts and grants for which the department is contractor or grantee.
 - (4) Further details of accounting information needed for budgetary accounting control by appropriations, allotments, objects of expenditure, etc., when such details are not available from central accounting.
 - (b) Required Features. The preparation by departments of financial reports should always reflect at least the following elements:
 - (1) Accuracy, meaningfulness, and legal compliance.
 - (2) Conformity with generally accepted accounting principles and practices as applied to the particular type of reporting being done.
 - (3) Compliance with any reporting deadline that applies.